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C O N F I D E N T I A L SECTION 01 OF 03 BEIJING 000147

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SUBJECT: CHINA'S SEVEN-POINT ROADMAP FOR BILATERAL RELATIONS

Classified By: Ambassador Clark T. Randt, Jr. Reasons 1.4 (B/D).

- 11. (C) Summary: During the Ambassador's January 15 farewell call, Assistant Foreign Minister Liu Jieyi expressed gratitude for the President's support for strong bilateral relations and asked the Ambassador to deliver a seven-point message to Washington:
- -- Appreciation for President Bush's personal commitment to the bilateral relationship.
- -- Hope that the incoming U.S. administration "puts the Sino-U.S. relationship in the right perspective."
- -- Invitations to the new U.S. President and Secretary of State to visit China.
- -- Commitment to deepen cooperation through the Strategic Economic Dialogue SED) and the Senior Dialogue (whatever their future "form and focus"), as well as through other dialogues.
- -- Desire to strengthen cooperation on international and regional issues, such as the Global Financial Crisis, India/Pakistan and North Korea, and to improve conditions for better military-to-military relations.
- -- Desire that the United States will "prudently handle sensitive issues" like Taiwan, Tibet and human rights.
- $\mbox{--}$  Wish to expand exchanges between the Chinese and American people.

End Summary.

Thank You

12. (C) In a meeting preceding a farewell dinner for the Ambassador hosted by State Councilor Dai Bingguo at Diaoyutai State Guesthouse January 15, AFM Liu Jieyi thanked the Ambassador for the President's "steadfast support" for strong bilateral links and for the Ambassador's seven and one half years as the President's representative in China. Liu said that the Bush Administration has helped the United States and China build "historically strong ties" and a foundation for the future.

A Roadmap for Further Development

13. (C) Reading from a prepared text, AFM Liu offered a seven-part "roadmap for further development of relations" to be delivered to both the outgoing and the incoming administrations.

First: China highly appreciates the efforts made by President Bush to promote relations. The U.S. Government's support for and President Bush and family's attendance at the 2008 Beijing Olympics left a very good impression with the Chinese people. China is committed to a "sound, stable and growing relationship" and hopes to develop strong relations with the new U.S. administration.

Second: China hopes that the incoming U.S. administration "puts the Sino-U.S. relationship in the right perspective." China welcomed the tenor of the President-elect's November 8 phone call to President Hu in which he described the U.S.-China relationship as one of the most important in the world and declared his commitment to strengthen the relationship. China also welcomed remarks the Secretary of State-designate made during her confirmation hearings in which she expressed her desire to have positive relations with China. "We will ensure that relations have a very good beginning," Liu said.

Third: China sees the benefit of exchanges at all levels. China is pleased the President-elect, in his November 8 call with President Hu, expressed the desire to visit China. China welcomes such a visit at an early and mutually convenient date. China looks forward to other opportunities for senior leaders to meet, including at the G-20 (April), G-8 plus 5 (July) and APEC (November) meetings, and notes the need to begin preparations for these meetings. Foreign Minister Yang hopes to develop as close a relationship with Secretary-designate Clinton as he enjoyed with Secretary

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Rice, and China welcomes a visit by the new Secretary of State at an early date. China wishes to maintain the use of existing "hotlines," including those between DOD and MND, MFA and the Department of State and between the White House and President Hu. (Note: There is a dedicated Defense Telephone Link in place, but communications between President Hu's office and the White House, and between the MFA and the Department, are handled normally through the White House Situation Room and the Operations Center, respectively.)

Fourth: It is necessary to deepen cooperation through our two most important dialogues: the Strategic Economic Dialogue (SED) and the "Strategic Dialogue." (Note: The Chinese refer to our Senior Dialogue, the political and security dialogue currently led by Deputy Secretary Negroponte and State Councilor Dai Bingguo, as the "Strategic Dialogue.") Both of these mechanisms have become platforms to enhance mutual trust, understanding and cooperation. We should maintain and make good use of them so that they can continue to play a useful role in furthering relations. "China is open-minded about the form and focus" of the dialogues but believes it is important to work on a new round of both the SED and Senior Dialogue soon. We should also continue other existing dialogues such as the Joint Commission on Commerce and Trade (JCCT), the Joint Economic Commission (JEC) and the Joint Commission on Science and Technology (JCST).

Fifth: China wishes to further strengthen cooperation and coordination on key international and regional issues.

- Both nations must jointly address the Global Financial Crisis. We have a good basis to build upon. China stands ready to work with the United States to stabilize the international financial markets and develop a healthy economic relationship. China hopes the United States will avoid trade and economic protectionism, work to maintain the stable development of economics and trade, and ensure the safety of Chinese assets in the United States.
- Although tension in South Asia has been reduced, the situation between India and Pakistan remains fragile. The international community should focus on this issue and

promote Indo-Pakistan cooperation and negotiation. In particular, India should be encouraged to exercise restraint to prevent the escalation or prolongation of tension." China is ready to work with the United States "from different angles" to reduce tensions there.

- China supports U.S.-DPRK exchanges on the nuclear verification issue and U.S.-China continued work on consolidating existing progress. The second phase of the Six-Party Talks must be implemented, and the Parties must move onto the next phase.
- China wants to cooperate with the United States in economics and trade, counter-terrorism, law enforcement, science and technology, education, culture, public health, energy, the environment and other areas, including new areas. U.S.-China cooperation is good not just for China and the United States, but also for the region and the rest of the world.
- China wants to "work positively with the United States" to improve conditions for better military-to-military relations.

Sixth: It is important to "handle prudently sensitive issues." "Taiwan is the most sensitive issue at the core of the bilateral relationship." China hopes that the United States will continue to "uphold the one China policy based on the three joint communiques, oppose Taiwan independence and oppose membership for Taiwan in any international organization for which state sovereignty is a condition of membership. China also hopes the United States will not upgrade relations with Taiwan, calls upon the United States to stop selling Taiwan advanced weapons and engaging in military exchanges with Taiwan, and does not want the United States to conclude a Free Trade Agreement with Taiwan.

- Tibet is another sensitive issue that touches on the sovereignty and territorial integrity of China. This issue is particularly sensitive in 2009, which marks the 50th anniversary of "democratic reforms in Tibet." The time around March 10 (note: the date the Dalai Lama fled into exile in 1959) will be particularly sensitive. China hopes the United States will affirm that Tibet is an inalienable

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part of China, not support Tibetan independence actions or words, not allow the Dalai Lama to visit the United States or hold meetings with U.S. officials, and not provide a venue for "the Dalai group" so as not to "send the wrong signal to Tibetans."

- On human rights and religion, China is ready to conduct a dialogue based on equality and mutual respect to ensure mutual understanding but opposes any interference in China's internal affairs.

Seventh: China wants to expand exchanges between the Chinese and American people and expand links between the U.S. Congress and the National People's Congress as well as deepen links among economic and trade figures, academics, the media and other sectors of society. China would like to enhance links between Chinese provinces and U.S. states as well as between cities. It is also important that the young people in both countries learn about each other and "consolidate the social basis for friendship and cooperation."

14. (C) Liu emphasized that sound U.S.-China relations are good for our two peoples and the international community. China values the relationship and is ready to work with the United States and encourages the U.S. side to look at the relationship from a strategic, long-term perspective. He expressed confidence that the strength of the foundation laid in the past eight years, coupled with the growing links generated by globalization, means that the future will be even brighter for bilateral relations.

- 15. (C) The Ambassador shared Liu's assessment that the previous eight years have enhanced bilateral relations and that the future is bright. He underscored the need for China and the United States to work together on the global economic situation and nonproliferation, particularly as related to Iran, to which Liu agreed. The Ambassador, while recognizing that Tibet is a part of China, urged China to engage in a substantive dialogue with the Dalai Lama's representatives and to restore military-to-military exchanges at an early date. The Ambassador reminded Liu that young military officers are tomorrow's military leaders and it is important that the militaries in the two countries know each other. Regarding Taiwan, the Ambassador reiterated the U.S. one China policy, based on the three joint communiques and the Taiwan Relations Act, and made clear U.S. support for Taiwan having more "international space." The Ambassador expressed support for increased people-to-people contacts.
- 16. (C) Comment: The Chinese appreciate the progress made in bilateral relations over the past eight years and clearly wish to get off to a quick and good start with the incoming U.S. administration. This seven-point roadmap systematically lays out PRC views as to how best to accomplish that. Randt